LAND USE AND DEVELOPMENT IN PRINCE EDWARD ISLAND:

ISSUES, CHOICES AND POLICY

Government of Prince Edward Island
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INTRODUCTION

Since its modern settlement, Prince Edward Island has been closely linked to the land for its economic and cultural well-being. The struggles of the 1800's for the settlers to gain a status beyond that of rental tenancy were a turning point in the history of the Province which, in some respects, epitomized the issue of interdependence between Island residents and the land and their knowledge of how deeply they relied on the land for their economic well-being.

Although Prince Edward Island is Canada's smallest province with a land area of only 1.4 million acres to support its current population of approximately 130,000 people, it is also the country's most densely settled province. In fact, there are few vantage points where a building cannot be seen. As a result, what happens to the land is close to Islanders, both visually and spiritually.

IMPORTANCE OF LAND

In the recent discussions on land use, one of the questions which has been raised frequently is, "How important is the land base?" This may be answered by considering the following:

- Land is one part of the triad, (along with air and water), which environmentalists refer to as the "biosphere". A high quality land base wisely managed is an enormous asset. It is essential to our general well-being, and it is more than a simple commodity.

- The Prince Edward Island economy is rooted in activities which are land-dependent. These include agriculture, forestry, the inshore fishery, aquaculture and tourism. From this base springs our food processing industry and the bulk of our manufacturing and service jobs.

- Land is the basis of many of our recreational pursuits, including cottaging, beaching, walking, biking, fishing and hunting.

- Our ties with land are a cultural mainstay of the Province.

- The quality of our land is directly linked to groundwater quality on which we are completely dependent.

In short, land is our single most important asset, and its wise management for long-term development is essential to our future economic security and lifestyle.

ROYAL COMMISSIONS ON THE LAND

Over the past two decades, the residents of Prince Edward Island have received the results of two major Government-sponsored enquiries into land use in the Province. The first, the 1973 "Raymond" Commission, forecast the results of continuing development in the Province without a major re-think of how we use the land. It recommended that Government develop a basic land use plan for the whole of the Province in the long run, and, in the short run, deal, in detail, with the issues surrounding coastal development and the strip settlement pattern which was, even then, prevalent in the Province. The Commission recognized the dependence of the provincial economy on our land base in terms of tourism and the resource industries of agriculture, forestry and the inshore fishery.

The "Raymond" Commission drew the following major conclusion when it reported in 1973:

> "In the face of the pervasive new pressures at work in their community, Islanders have expressed real apprehension over the future use and appearance of their garden province."

The government of that day responded by taking some initial steps, including developing a new *Planning Act* and Regulations, establishing the Land Use Commission and substantially increasing the community planning resources available to municipalities across the Province. In addition, regional planning boards in Charlottetown and Summerside were formed to develop regional plans jointly for their areas.

The success of most of these measures undertaken by governments is evident. The Land Use Commission has resolved hundreds of disputes; community plans now exist for many municipalities and the new regulations provided an initial set of basic standards for building lots and subdivisions. However, many of the issues with respect to settlement or development patterns, particularly those associated with coastal development and strip development, have not been successfully resolved. The regional plans for the Charlottetown and Summerside areas were prepared but never adopted by the municipalities involved.

In 1988, Government adopted a new *Planning Act* which contains, as a central feature, an enablement to develop provincial land use policy. To provide the setting for this, in 1989 Government appointed a second Royal Commission. The "Boylan" Commission, which reported in 1990 with a wide-ranging report, concluded that the issues respecting coastal development and strip development had indeed followed the trend predicted twenty years earlier and has recommended that Government act with dispatch and decisively to ensure that the land base continues to play a pivotal role in the long-term prosperity of Prince Edward Island.

Government indicated in the spring of 1991 Throne Speech that it intended to implement the Royal Commission on Land's report, both in spirit and substance. This was not the result of any catastrophic changes such which have occurred in recent years. It is a simple recognition of the facts that we have always relied on the land base for our collective living and lifestyle and will continue to do so in the future and that, incrementally, the character of the Province's land base is changing.

The 1990 Royal Commission on Land report noted this and concluded that:

> "For years we have been dipping into our capital in most areas relating to our land. We are not at the point of bankruptcy, but such an end is not that far off. It becomes, then, a matter of will for Islanders and their government. The time has come to cease the talk and to tend the garden."

Given this fact, and the knowledge that continued reliance on the land is our only viable economic option at present, we must ensure that we utilize the land base wisely and not, on the rationale of apparent abundance, waste it. Land is too important for this to be the policy. The second main factor in the decision to implement the report is that the development course which is currently being followed is one which is more costly than it need be. For example, the principle that services can follow, rather than lead, development has already resulted in having to expend large sums of tax dollars in repairing environmental damage. As well, in the future, without a policy change, we will have to contend with an increasingly unsafe or inefficient arterial road system.

A PROGRESS STATEMENT

The March 19th Throne Speech included an announcement that a Land Resources Coordinator would be appointed. This has been accomplished. In the four months since the Throne Speech, some initial steps have been taken:

a) A Coastal Protection Area has been established as a Special Planning Area. A moratorium on some types of residential development of up to 18 months has been established. This is a temporary measure designed to give government the time it needs to develop a permanent coastal development policy. This work is underway.

b) Amendments have been made to the *Planning Act* which:

- will enable special planning areas to include incorporated as well as unincorporated areas of the province, if necessary;
- establish the primacy of provincial land use policy;
- establish provincial standards as the minimum across the province;
- permit the Province to evaluate major developments (industrial, commercial, institutional) in terms of land use, environment and provincial costs, but relaxes the former market impact evaluation as a requirement for provincial approval.

c) accelerated the development of various computer-based analytical tools to aid in developing well-targetted land use policy.

EXTERNAL FORCES

Prince Edward Island's economic fortunes have, historically, been shaped by external forces, more so than most provinces. This is not surprising -- our population is too small to be a national force and the economy is export-based; we are at considerable distance from our markets and suppliers and are not a large market in our own right.

A major factor in our economic well-being has been an increasing dependence on favourable Federal decisions and policy. Beginning in 1969, with the Prince Edward Island Comprehensive Development Plan, Prince Edward Island has received a very substantial part of its funding from federal sources, including U.I.C., federal/provincial regional development agreements, Established Programs Financing (EPF), equalization, and federal government jobs.

While these funding sources, along with our own, have produced generally good economic times for the Province, it is important to recognize the vulnerability which this has also created to changing Federal policy as well as changing constitutional and international economic times.

We need to recognize that, in this radically changing time, we have probably less than a decade to adjust to a new set of external forces or realities which will shape our future. These include:

- North American trade agreements;
- taxing limits;
- constitutional change;
- trade blocs and trade "wars";
- continuing environmental decline;
- increasing competition;
- major changes to supply management

In some respects, a part of the dilemma which Government faces in dealing with land use issues has been our slow and incremental rate or pace of development. Our rate of building new houses is about 500 - 1,000 per year; although we subdivide cottage land at a higher rate, we only build about 200 cottages a year. Nevertheless, as time passes, the numbers begin to build up. In areas under provincial jurisdiction, for example, the Province has, since 1974, issued 12,000 building permits for houses, 85% of which have been for strip development along our highways. Many of these permits have been on on farmland or at locations which limit the future potential of agriculture. Erosion and run-off have silted and polluted our streams to the point where we are limiting sport fishing, shellfish harvesting and the potential of aquaculture; thousands of cottage lots have been subdivided, but most of the actual development has been along the shorefront itself, often one lot deep.

Our municipal system is based on a large number of municipalities which have very limited tax bases and wide-ranging tax rates. This has placed a limit on our ability to raise funds for municipal services and infrastructure in the future.

Our past and present development pattern has placed us in the position of having to bus increasingly large numbers of children to school. Currently, the cost of doing so is $1.67 per student per kilometer. The simple truth is that every dollar we spend on transportation of our children for school bussing, which now costs about $8.5 million per year (excluding depreciation) to operate 317 buses, is a dollar that we cannot spend on better facilities, programs and teachers.

Our $94 million per year tourism industry, which has good expansion potential, is heavily dependent on the quality of our natural environment and the landscape. The general direction of development has, however, seen a sustained trend away from maintaining rural vistas. Similarly, access to the shore, long considered to be an Island right, is slowly disappearing as the shore is subdivided and held in small lots for exclusive private use.

CONCLUSIONS

Three inescapable conclusions can be drawn from the long-term development trends outlined. First, the Province will have to rely on its own resources increasingly over time. The single most important asset that we have is the land base. This means that it is imperative, not merely desirable, that it be well-managed over the long-term, unless we are prepared to accept a scenario that sees the standard of living which we now enjoy sliding precipitously.

Second, Island incomes are about 75% of the Canadian average and, although this is somewhat improved over the past, this fact means that ways must be sought to keep future expenditures resulting from development patterns to a reasonable and affordable level and to ensure that future development is consistent with our ability to maintain and expand the economy of the province with as few limitations as possible.

The third major conclusion is that by slow, incremental steps the land base is being transformed in a way which will eventually undo its ability to support us collectively. If there is one consistent conclusion in both the 1973 and 1990 Royal Commissions, it is that the current direction in land use is not in harmony with our environment, our future economic aspirations, or what we can afford in the long run.

The current issues which we face are not, by and large, the result of developers not playing by the rules. Our "rules" have not been clearly defined or targetted to the objective of sustainable development and, up to now, there has not been a clear statement of general provincial policy with respect to land use.

At this point, the land base of the Province is suffering the "death of a thousand cuts". The rate of change is slow, but the end result is inevitable. The external changes that are taking place nationally and internationally are going to force Prince Edward Island to a position of increasing strain in trying to maintain or improve the current lifestyle and standard of living. Government believes that now is the time to make changes while the Province still has the ability to secure its future, economically, politically and culturally by taking its most important asset, the land base, and employing it in a way which will optimize the sustainable return from it as a working landscape.

THE OPTIONS

Government believes that two basic options exist. The first is a continuation of past trends (i.e. the "status quo" option); the second is a sustainable development option. Inevitably, the "status quo" option will result in the following:

- the loss of our ability to fully develop agriculture, forestry, the inshore fishery and aquaculture to their full potential. With this comes the loss of opportunities, including the jobs that accompany or "spin off" from the resource industries;

- loss of traditional landscape/viewscape appearance. Tourism is based on the pastoral beauty of our working landscape;

- high remedial environmental servicing costs, most of which will be tax supported, either provincially or locally;

- increasing land use based conflicts between rural non-farm residents and the farming population and its supporters;

- loss of multipurpose use of institutional facilities, such as schools;

- limiting our options in addressing the chronic dilemma of high seasonal unemployment. For the first time in 20 years, the Province has experienced net out-migration of population;

- an increasing percentage of personal disposable income being devoted to energy (e.g. gasoline and power) transportation and basic services (sewer, water, garbage collection and disposal, etc.);

- loss of a safe, effective arterial highway transportation system;

- increasing requests for provincial grants or programs for lifestyle subsidies at a time when taxes are at their upper limit and transfers are declining.

In looking at the alternatives to continuing as we have in the past, Government believes that we must ask ourselves not only about the past and the present, but the future. In other words,not only how Islanders will be making their living for the balance of the current generation's, working lifetime, but also how the next generation will make its living and what its quality of life will be like. Government believes, as well, that future economic success will belong to those groups which successfully weld together the components which make up the principle of sustainable development. Future development must be both economically and environmentally sound. In terms of Prince Edward Island, this means recognition of the fact that that our single, most important asset is the land base of the province. It's wise use will materially assist us in reaching and maintaining economic viability. It's unwise use will virtually ensure economic and social decline. The economic future of Prince Edward Island will continue to turn on agriculture, forestry, the inshore fishery, aquaculture and tourism.

For this to be the case, however, we must ensure that, as we promote and foster development, we do so in a way which respects the land, employs it in a way which is sustainable, and recognizes that if we seek a future which includes high standards of public education, health care and social services, we must not deplete our scarce financial resources in remedial action to make up for our shortsightedness in where and how development occurs. While better land use management is not a panacea in achieving this, it can be a major contributor.

GENERAL POLICY STATEMENT

The basic message of both the 1973 and 1990 Royal Commissions was that the development pattern across the province as a whole has been dominated by strip development along roads and the shore. The Commissions have also told Government that, in the long-term, this direction is wrong because it will unnecessarily constrain the development of the provincial economy and fundamentally change the character of the land and, as a result, the lifestyle of the people of the Province. Government accepts this as a basic premise.

Government believes that there are five general issues which require action as quickly as possible. These areas are:

- Coastal area development, including subdivision and shorefront access;

- Arterial road access and strip development along these roads;.

- Municipal services and structures, including a careful evaluation of how best to ensure that municipalities, particularly the City, towns and villages, are in a position to provide services to their residents at affordable rates;

- Protection and development of resource lands (agriculture and forestry) and, in particular, ensuring that their future potential is not compromised by development decisions;

- Protection of natural environmental systems, including beaches and dunes, wetlands, streams and estuaries.

In moving towards detailed policies which will deal with these issues, Government is also signaling that continued development across the Province is desirable and necessary. In short, the policy message is that development will be encouraged, but that it must be sustainable. In this context, sustainable development means that development must be compatible with the following objectives and principles:

- consistency with the overall objective of maintaining or improving the Province's cornerstone industries of agriculture, forestry, the inshore fishery, aquaculture and tourism;

- affordability in terms of provincial expenditures;

- consistency with sound natural environmental management principles;

- efficient use of the land;

- consistency with market demand;
- services must precede, not follow, development;
- existing towns, villages and the city must be strengthened.

IMPLEMENTATION

Government has three general tools available to it for policy implementation:

- legislation
- programs
- information

In developing and implementing detailed land use policy over the next period of time, Government intends to make full use of all of its resources. While regulation will be a significant part of the implementation process, the two other major instruments which are available, namely, programs and information, will be widely used.

Government intends to use these tools to ensure that its actions are consistent with and supportive of the principles outlined in this policy statement.

All of this will take time to accomplish. It will not occur overnight, but with careful building and thought, and with the support of Islanders generally, the policy development process envisioned will result in a more economically viable and livable Province over the years ahead.